GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:288
ANSWERED ON:20.10.2008
FINANCIAL PACKAGE FOR SUGARCANE FARMERS
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government proposes to grant any direct financial package to sugarcane farmers in order to free them from the burden of debt and enable them to adopt modern farming techniques;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a)to(d):A scheme of debt waiver and debt relief for farmers including sugarcane farmers announced by the Government in the Union Budget 2008-09 is under implementation. This scheme is applicable to all farmers including sugarcane farmers in the country. Direct agricultural loans disbursed by scheduled commercial banks, regional rural banks and cooperative credit institutions up to March 31,2007 and overdue as on December 31, 2007 which remained unpaid until February 29, 2008 are eligible for debt waiver or debt relief as the case may be.

In case of marginal and small farmers, the entire eligible amount has been waived. In the case of other farmers, there is a one time settlement (OTS) Scheme under which the farmer is to get a rebate of 25 per cent of the eligible amount subject to the condition that the farmers pays the balance of 75 per cent of the eligible amount.

Agricultural loans restructured and rescheduled by banks in 2004 and 2006 through special packages and other loans rescheduled in the normal course as per RBI guidelines are also eligible either for a waiver or an OTS on the same pattern.